



ERRS Program Management Office
Memorandum of Explanation

To: Richard Braun, CO
Steve Way, OSC
FROM: Marilyn Smith, PM
DATE: September 21, 2015
CONTRACT: EP-S8-13-02
SUBJECT: TO#077– Gold King Mine Release; Consent Request for Interim Water Treatment Plant

Overview:

This memo outlines explanation of the basis for Environmental Restoration, LLC (ER) seeking consent for utilization of Alexco Environmental Group (US) Inc. (Alexco) at the Gold King Mine Release.

ER was tasked by the USEPA to perform activities at the Gold King Mine Release (site). In order to execute, ER sought services for the materials, installation, operation and maintenance of an interim water treatment plant (IWTP) necessary to manage water discharged from the Gold King Mine.

Abstract:

ER issued a Request for Proposal (RFP) to qualified bidders with proposals due back August 26, 2015.

Award criteria of the RFP was based upon best value encompassing technical proposal, past performance, references, schedule and price.

A technical review committee was formed within USEPA to provide verification that the system proposed was appropriate for conditions presented at the site. From the review committee clarifications were sought, USEPA then prepared a summary evaluation of which is attached to the bid analysis of this package.

At the time of issuance of the RFP unknown factors had not been finalized, therefore ER added in potential line items for pricing that are not reflected within the bid analysis summary of costs.

Summary:

ER issued the RFP to seven bidders. Of the seven only six were responsive.

Alexco Environmental Group (US) Inc.: Provided a timely proposal and met criteria of the RFP. Their technical proposal provided a thorough understanding of mine waste discharge, potential weather conditions and their ability to address the issues with experienced personnel with similar project experience. Overall provided the most technically sound approach and found to be the best technically qualified. Pricing was at **CBI/Ex. 4**

Evoqua Water Technologies LLC: Provided a timely proposal and with no solid experience in acid mine draining or similar types of projects. Bidder failed to address bonding. Pricing was \$3,615,691.00 which was incomplete.

Ground/Water Treatment and Technology: Provided a timely proposal. The technical proposal did not define extensive experience per se with mine waters or the ability to deal with the physical demands of the site in winter conditions as defined within the RFP. Pricing was \$3,963,720.00.

Industrial Water Management: Provided a timely proposal. Their technical proposal outlined experience with dewatering rather management of acid mine drainage. Additionally bidder did not completely address winterization. Pricing was at **CBI/Ex. 4**

TKT Consulting, LLC: Provided a timely proposal and was generally rated high in approach with the exceptions of not addressing winter conditions and ability to bond the project. Therefore bidder was excluded in further review. Pricing was at **CBI/Ex. 4** which was incomplete.



ERRS Program Management Office
Memorandum of Explanation

Omni Water Solutions: Provided a timely proposal yet did not meet criteria of water discharge as defined. Bidder did not define bond pricing. Pricing was at **CBI/Ex. 4** which was incomplete.

Award:

Alexco Environmental Group (US) Inc. was deemed "best value" when considering total factors of technical proposals, past performance, references, schedule and price.

Therefore ER is seeking consent in the amount of \$ **CBI/Ex. 4** for Alexco Environmental Group (US) Inc.

Consent Package:

For your review the following items are included in the subcontract consent package;

- ☐ Att. A – Bid Analysis
- ☐ Att. B – Bid Data Received
- ☐ Att. C – Bid Data Issued via RFP
- ☐ Att. D – Excluded Parties Search with Executed Reps & Certs
- ☐ Att. E – Purchase Order Request

Please feel free to contact me with any questions you might have regarding this submittal.